

nor on the troops. It is about a policy. It is a deliberation about a policy and a strategic decision. That is why we are here. That is why we were elected. We cannot shy away from that responsibility. We all support our men and women in uniform. But like a majority of Americans, we also support the changes in policy that will lead to the redeployment of U.S. forces, ultimately bringing them home to safety.

That is the change that was called for in the last election. That is the new direction that is needed at this point in our history.

I yield the floor and suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Ms. SNOWE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Ms. SNOWE. Mr. President, I ask unanimous consent to proceed as in morning business.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMPLIANCE ASSISTANCE FOR SMALL BUSINESSES

Ms. SNOWE. Mr. President, I wish to take this opportunity to discuss an amendment that is pending before the Senate, which was offered by the ranking member of the committee, Senator ENZI, which I have introduced along with Senators ENZI and LANDRIEU. It is a bipartisan amendment to enhance compliance assistance for small businesses. Before I address the amendment, I wish to make a few comments about the minimum wage package we are currently considering on the floor.

I thank the leadership on both sides of the political aisle for working together to develop a bipartisan consensus to raise the minimum wage. From the outset, Senator REID and Senator MCCONNELL set a bipartisan tone in forging a path to increasing the minimum wage. I also thank Chairman KENNEDY and the ranking member, Senator ENZI, for working together to develop this bipartisan legislation as well. I think this is a very encouraging beginning to the 110th Congress and hopefully a time we can reach across partisan divides to enact meaningful legislation.

I also commend Chairman BAUCUS of the Finance Committee, along with Senator GRASSLEY, for working to draft the small business tax package that is also incorporated in the minimum wage bill. It was especially refreshing to see both Chairman BAUCUS and Ranking Member Grassley working so closely together to forge a compromise that addresses concerns on both sides of the aisle.

By enacting the minimum wage, we will accomplish a legislative win-win

by increasing the minimum wage but also at the same time providing small businesses with significant tax and regulatory relief in a way that does not add to our Nation's deficit. That is a great example of the social and fiscal responsibility we must embrace.

Small business tax and regulatory relief and increasing the minimum wage do not have to be mutually exclusive. I believe it is time to raise the minimum wage. It is certainly long overdue, since the last time the minimum wage was raised was back in 1997. Given the significant increases in the cost of living since then, most notably the rise in prices in housing, energy, and health care, families need to support themselves, and they certainly cannot do it on less than \$11,000 annually.

I am deeply concerned as well about the widening wage gap in America, which is creating a burgeoning economic divide when it comes to income. As the chart behind me shows—and I think it is very important because hopefully one of the priorities in this Congress will be to explore policies that will narrow the wage gap in America—according to the latest census data, in 2005, a household in the 90th percentile earned \$114,000 more—or 11 times as much—than a family in the 10th income percentile. Moreover, income for households at the top has grown over the last 30 years, while income for households at the bottom has remained flat.

A recent BusinessWeek article reported that increasing the minimum wage to \$7.25 an hour could raise the pay for 16 percent of the Nation's workforce. So I am unequivocally supportive of this initiative. I also believe, as the ranking member of the Small Business Committee and previously chair of the committee, that we need to balance the minimum wage increase with a robust package of small business tax and regulatory reform to relieve many of the burdens small businesses continue to face.

The fact is, small business is the engine that is driving the economy. It is the one segment of the economy that is actually creating jobs. Three-quarters of all of the net new jobs are created by a small business; therefore, it is in our interest to make sure we can guarantee for the future that this segment of the economy is going to continue to create jobs and to restore the long-term economic vitality of small businesses.

Over the past 20 years, which is the subject of this amendment today, the number and complexity of Federal regulations has multiplied at an alarming rate. In 2004, for example, the Federal Register contained 75,675 pages, an all-time record, and 4,101 rules. These rules and regulations impose a much more significant impact on smaller businesses than larger businesses. As illustrated by the chart behind me, it demonstrates unequivocally the disproportionate burden borne by small businesses versus large corporations in order to absorb the impact of more reg-

ulations and more rules. It illustrates the conclusion found in a recent report that was prepared by the Small Business Administration's Office of Advocacy that said in 2004 that the per-employee cost of Federal regulations for small businesses with fewer than 20 employees was \$7,647. In contrast, the per-employee cost of Federal regulations for firms with 500 or more workers was \$5,282. This results in a 44-percent increase in burden for smaller businesses compared to their larger counterparts. Clearly, we must find ways to ease the regulatory burden for our Nation's small businesses so they may continue to create jobs and drive economic growth.

As the leading Republican on the Small Business Committee, I continue to hear from small businesses across the country, in addition to my home State of Maine, which is essentially a small business State where 98 percent of all employers are small businesses. But to give an example of the impact of the regulatory burden, I cite one company, Hammond Lumber Company, which faces the increased cost of regulatory compliance. It is a shining example of the American dream come true. It has been a family-owned company for three generations. They have been thriving in the State of Maine and serving not only Maine but all of New England for more than 50 years. It grew from a company of 41 employees in 1976 to over 300 employees in 2006. Hammond Lumber exemplifies the tremendous spirit of the American entrepreneur. It also demonstrates the pivotal role small businesses play in creating jobs and driving our Nation's economy. However, as Hammond Lumber has grown, so has its regulatory burden. In 1976, its total regulatory cost per employee equaled \$98. Last year, it was \$441 per employee. I had the opportunity to tour the company. I talked to the owners and talked to the employees. Unquestionably, it is a thriving company. They told us that the burden they were enduring as a result of the regulatory compliance was clearly having adverse consequences.

So we need to level the playing field for small businesses and make it easier for them to comply with complex regulations. All too often, small businesses don't maintain staff, don't have the financial resources to comply with Federal complexities, rules, and regulations. This places them at a disadvantage compared to larger companies. It also reduces the effectiveness of the agency's regulations. If the agency cannot describe how to comply with its regulations, how can we expect a small business to figure it out? That is why I have offered this amendment, along with Senator ENZI and Senator LANDRIEU, which would clarify the small business requirement that exists under Federal law.

Our amendment is drawn directly from recommendations put forward by the GAO and is intended only to clarify an already existing requirement which

passed unanimously in the Senate, became law, back in 1996 when we passed the model legislation to ease the impact on small businesses with respect to the Federal bureaucracy creating rules and regulations. That legislation that became law was intended to ensure that the Federal Government and all of the agencies consider the impact to small businesses of these proposed rules and regulations.

One of the most important provisions of this act was a requirement that Federal agencies work to produce compliance assistance materials to help small businesses satisfy their regulatory obligations. Unfortunately, the GAO has discovered that Federal agencies have ignored these requirements or failed miserably in their attempt to satisfy them. GAO also discovered that the language of the act is unclear in some places about what is actually required of small businesses. Consequently, small businesses were forced to figure out all these complicated regulations on their own. Obviously, this makes compliance that much more difficult to achieve. So my amendment is drawn specifically and directly from the GAO. It clarifies when a small business compliance guide is required, how a guide shall be designated, how and when a guide shall be published, and that the agency make the guide available on the Internet. These are commonsense, good government reforms, which will provide major relief for small businesses at virtually no cost to the Federal Government.

I think it is very important that this amendment be adopted because all too often we have discovered—as underscored by GAO in their recent report—that the agencies find ways or discover loopholes to circumvent the requirement. It is that much easier because they don't want to have to bother to help small businesses comply with regulations, and they use the rationale—or the excuse, I might say—of the ambiguity in law that doesn't allow them to be clear or to provide the assistance directly to small businesses. So we want to remove the ambiguity and we want to be sure that the amendment as represented here today, which would be translated into the statute, will be abundantly clear and specific in terms of how the agencies are going to allow small businesses to comply with these regulations, with the assistance that could be provided by these agencies as well.

I think it is also important to stress that this amendment does not place any additional arduous requirements on small businesses. There are no additional enforcement measures. We are just saying that this is important to clarify, so that agencies don't have an excuse for avoiding compliance with this regulation and also providing assistance to small businesses, and doesn't undercut an agency's ability to enforce its regulation to the fullest extent they currently enjoy.

Furthermore, this amendment was introduced in the form of a bill that en-

joyed broad bipartisan support. It was also included last year in the Small Business Reauthorization Act that was unanimously reported out of the Senate Small Business Committee in the 109th Congress. This isn't any new ground. It is straightforward. It will help small businesses, which are doing so much to create jobs in our economy. Frankly, we ought to do more for small businesses. I think this is a sector of our economy which we have overlooked and ignored.

There are so many resources that we could make available to small businesses for a minimal cost that I think could leverage job creation throughout this country. I know, in working with the new chair of the Small Business Committee, Senator KERRY, that we are going to look to the future to see what kind of programs we can build upon, what kind of efforts we can make that can help small businesses thrive and flourish and create the jobs that so many parts of our country desperately need and require.

I am looking forward to working with Chairman KERRY in that regard, also with Chairman BAUCUS and the Senate Finance Committee because the underlying bill includes some very significant tax relief measures. Unfortunately, they will expire in the future. In the short term, in some cases, such as small business expensing, I think we have to consider ways to make that expensing requirement permanent because small businesses clearly deserve to have continuity of that provision and the certainty that it is going to be there.

I applaud Chairman BAUCUS for undertaking this initiative as the first action as chair of the Finance Committee in the markup, and it clearly is going to go a long way toward helping to bolster a very significant part of our economy, and that is, of course, small business growth.

We want to do more, we should do more, and we can do more.

Again, I urge Members of the Senate to support this amendment.

I yield the floor.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is closed.

FAIR MINIMUM WAGE ACT OF 2007

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of H.R. 2, which the clerk will report.

The bill clerk read as follows:

A bill (H.R. 2) to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage.

Pending:

Reid (for Baucus) amendment No. 100, in the nature of a substitute.

McConnell (for Gregg) amendment No. 101 (to amendment No. 100), to provide Congress a second look at wasteful spending by estab-

lishing enhanced rescission authority under fast-track procedures.

Enzi (for Snowe) amendment No. 103 (to amendment No. 100), to enhance compliance assistance for small businesses.

Sessions amendment No. 106 (to amendment No. 100), to express the sense of the Senate that increasing personal savings is a necessary step toward ensuring the economic security of all the people of the United States upon retirement.

Sessions amendment No. 107 (to amendment No. 100), to impose additional requirements to ensure greater use of the advance payment of the earned income credit and to extend such advance payment to all taxpayers eligible for the credit.

Sessions amendment No. 108 (to amendment No. 100), to authorize the Secretary of the Treasury to study the costs and barriers to businesses if the advance earned income tax credit program included all EITC recipients.

The ACTING PRESIDENT pro tempore. The Senator from Massachusetts.

AMENDMENT NO. 103, AS MODIFIED

Mr. KENNEDY. Mr. President, if I can have the attention of the Senator from Maine, what I would like to do now is to ask that the amendment be modified with the modification that is at the desk, if that is agreeable with the Senator.

Ms. SNOWE. It certainly is.

The ACTING PRESIDENT pro tempore. Without objection, the amendment is modified.

The amendment (No. 103), as modified, is as follows:

At the appropriate place, insert the following:

SEC. ____ ENHANCED COMPLIANCE ASSISTANCE FOR SMALL BUSINESSES.

(a) IN GENERAL.—Section 212 of the Small Business Regulatory Enforcement Fairness Act of 1996 (5 U.S.C. 601 note) is amended by striking subsection (a) and inserting the following:

“(a) COMPLIANCE GUIDE.—

“(1) IN GENERAL.—For each rule or group of related rules for which an agency is required to prepare a final regulatory flexibility analysis under section 605(b) of title 5, United States Code, the agency shall publish 1 or more guides to assist small entities in complying with the rule and shall entitle such publications ‘small entity compliance guides’.

“(2) PUBLICATION OF GUIDES.—The publication of each guide under this subsection shall include—

“(A) the posting of the guide in an easily identified location on the website of the agency; and

“(B) distribution of the guide to known industry contacts, such as small entities, associations, or industry leaders affected by the rule.

“(3) PUBLICATION DATE.—An agency shall publish each guide (including the posting and distribution of the guide as described under paragraph (2))—

“(A) on the same date as the date of publication of the final rule (or as soon as possible after that date); and

“(B) not later than the date on which the requirements of that rule become effective.

“(4) COMPLIANCE ACTIONS.—

“(A) IN GENERAL.—Each guide shall explain the actions a small entity is required to take to comply with a rule.

“(B) EXPLANATION.—The explanation under subparagraph (A)—

“(i) shall include a description of actions needed to meet the requirements of a rule, to